



March 20, 2006

Senator Elizabeth H. Roberts
Representative Steven M. Costantino
Co-Chairs
Joint Legislative Committee On Health Care Oversight
The State House, Room 306
Providence, RI 02903

Dear Senator Roberts and Representative Costantino:

I am pleased to submit to the Joint Healthcare Oversight Committee an annual report of the progress of "Professional Provider Health Plan Work Group" established under an amendment to RI 42-14.3, which was put into law last session, and facilitated by this Office.

The Group has been in place since November of 2005, and has been making steady progress on its statutory goals, under the coordination of Patricia Huschle, Provider Liaison, of this Office. It has proven to be a promising means of simplifying and standardizing some administrative interactions between professional providers and health plans. In the next year, the group looks forward to closer coordination with the health plans, providers, RI Medicaid and the Rhode Island Quality Institute.

Copies of relevant materials are attached. If you desire further information, please do not hesitate to contact this office.

Sincerely,

A handwritten signature in black ink, appearing to read 'Christopher F. Koller', is written over a light blue horizontal line.

Christopher F. Koller
Health Insurance Commissioner

Cc: Senator Hanna Gallo, Rep. Peter Lewiss, Marie Ganim, Ronald Lebel, Patricia Huschle, Laura Adams, Members of the Professional Provider Health Plan Work Group

Attachments

The Professional Provider-Health Plan Work Group
Subcommittee to the Health Insurance Advisory Council
Progress Report
March 1, 2006

The Healthcare Reform Act of 2004 § 42-14.5-3 (d) required the creation of a subcommittee to the Health Care Advisory Council known as the Professional Provider-Health Plan Workgroup (“Workgroup”) to address specifically identified areas for administrative improvement.

This subcommittee has been charged with developing a plan to implement the following activities:

- (i) By January 1, 2006, a method whereby health plans shall disclose to contracted providers the fee schedules used to provide payment to those providers for services rendered to covered patients;
- (ii) By April 1, 2006, a standardized provider application and credentials verification process, for the purpose of verifying professional qualifications of participating health care providers;
- (iii) By September 1, 2006, a uniform health plan claim form to be utilized by participating providers;
- (iv) By December 1, 2006, contractual disclosure to participating providers of the mechanisms for resolving health plan/provider disputes; and
- (v) By February 1, 2007, a uniform process for confirming in real time patient insurance enrollment status, benefits coverage, including co-pays and deductibles.

The Workgroup was established in November 2005 and is comprised of professional provider and hospital representatives, billing agents, physician group leaders and the three major Rhode Island Health Plans: United, Blue Cross and Neighborhood Health Plan. The members are: Christopher Dooley- W&I PHO; Dan Egan-HARI; Lorraine Roberts- Lighthouse MD; Paul Carey-RI Urological Specialties; Joel Kaufman M.D.- Lifespan/Physicians PSO; Jean Amaral- Care New England. Health Plan representatives are Stephan Katinas and Robert Cambio- BCBS; Jenny Hayhurst and Jason Martiesian- United; George Brier and Maureen Brousseau- Neighborhood Health Plan. It was agreed that membership of the group would change depending on the subject matter. Patricia Huschle, Provider Liaison for the Office of the Health Insurance Commissioner, chairs the group.

A copy of the Workgroup’s Charter is attached and the following progress is noted on the items assigned by statute.

(i) Fee Schedule Disclosure

This Workgroup's first initiative was to streamline the way the three predominant local health plans disclose fee schedule information to contracted providers. All plans acknowledged that their contracted professional providers should have access to the reimbursement amount for the codes for the services they provide.

In an effort to eliminate administrative burden for all parties, to increase the timely access to this information and to improve efficiency in the system as a whole, the Workgroup agreed the goal is for all health plans to have an on line fee schedule look up capability.

Currently only United has on line fee schedule inquiry capability commercial products. Blue Cross and Neighborhood Health Plan have agreed to create for provider access an on line look up for all codes for the current standard fee schedules for all locally marketed products by December 2006.

The Workgroup established a standard process for providers to obtain this information in the short term that includes both telephonic and email/fax options for the providers' office to use.

This information is being communicated by the health plans to their contracted providers. In addition, a joint document created by the OHIC and health plans is currently posted on the Rhode Island Medical Society web site and is being distributed electronically throughout the provider community.

A complete copy of the Workgroup's report to the Commissioner on this project is attached, as is a copy of the provider communication.

(ii) Standardized Provider Application and Credentials Verification Process

The Workgroup began addressing this project in January 2006. The Group membership changed slightly to include representative of hospital medical staff offices who were also interested in seeing the state move to a common provider application form.

At the initial meeting the group agreed that:

- the application process and the verification process were distinct and needed to be handled separately.
- collection of the providers' data for credentialing and re-credentialing purposes was the primary concern for the provider's offices.
- there is much duplication in the verification process (health plans, hospitals, medical groups all reaching out to the same entities to confirm that the application data is accurate), the verification portion of the application process is transparent to the physician's office.

- identifying a common credentialing verification organization (CVO) is something that will be addressed at a later point.

The Workgroup quickly agreed that the Council on Affordable Quality Healthcare (CAQH) has an electronic “data collection tool” that has an established a local and regional presence. CAQH is a not-for-profit alliance of health plans, networks and trade associations that was created to promote collaboration among health plans on initiatives that promote administrative simplification. It was agreed that we would adopt their form as standard rather than establishing a statewide application as Massachusetts and other states have done.

Locally, UnitedHealthcare already requires the use of the CAQH application. Blue Cross and Blue Shield and Neighborhood are evaluating adopting the CAQH application as well. The hospitals in the state are considering the usefulness of the CAQH application in streamlining their internal processes.

The plan is to turnover to a statewide form in October of 2006. The group is still finalizing the transition details, with an anticipated final report delivered to the commissioner by April 1, 2006.

**Health Insurance Advisory Council Subcommittee
Professional Provider-Health Plan Work Group
Charter
November 2005**

Purpose Statement

The Professional Provider-Health plan Work Group a subcommittee of the Health Insurance Advisory Council, exists to develop a plan to implement the specific activities as outlined in 42-14.5-3.

Statutory expectations:

- “By January 1, 2006, a method whereby health plans shall disclose to contracted providers the fee schedules used to provide payment to those providers for services rendered to covered patients”
- “By April 1, 2006, a standardized provider application and credentials verification process, for the purpose of verifying professional qualifications of participating health care providers”
- “By September 1, 2006, a uniform health plan claim form to be utilized by participating providers”
- “By December 1, 2006 contractual disclosure to participating providers of the mechanisms for resolving health plan/provider disputes”
- “By February 1, 2007 a uniform process for confirming in real time patient insurance enrollment status, benefits coverage, including co-pays and deductibles”
- A report on the work of the subcommittee shall be submitted by the health insurance commissioner to the joint legislative committee on healthcare oversight on March 1, 2006 and March 1, 2007.

Membership

Health care providers, billing office managers, and Rhode Island licensed health plans. Advisory Council members may recommend Workgroup participants based on their background and expertise. Final decisions are made by the Office of the HIC, with the goal of having knowledgeable, committed members representing a cross section of interested parties committed to the group’s success. Membership may vary when subject matter expertise is required based on statutory deliverables.

Leadership

The Work Group shall be staffed and chaired by the Provider Liaison of the Health Insurance Commissioners office.

Conduct of meetings

- All meetings will be open to the public.
- Meetings will be conducted in open, participatory style, inclusive of all members.
- Meetings will be held as needed to obtain consensus and develop recommendations within the specified timeframes.
- Minutes will be taken and posted.

Agenda and Deliverables

The agenda for its work will be based on deliverables. The primary deliverable will consist of a recommended plan for meeting each of the statutory objectives within the timeframes outlined above. Such recommendation shall include specific criteria, timetable and mechanisms for ensuring health plan and provider compliance. Recommended plans shall be submitted to the Health Insurance Commissioner and full Health Insurance Advisory Council for review and comment. The Workgroup will also monitor implementation of the plan(s). Disputes or areas where no consensus can be reached will be adjudicated by the Health Insurance Commissioner.

Expectations of Members

Attend meetings on time
Provide best input to help group meet common goal
Do work in between meetings, to include seeking input and building consensus.
Bring disputes or concerns to attention of chair and other members.

OFFICE OF THE HEALTH INSURANCE COMMISSIONER
PROFESSIONAL PROVIDER HEALTH PLAN WORKGROUP
FEE SCHEDULE DISCLOSURE REPORT
DECEMBER 20, 2005

Statutory expectations §42-14.5-3

“To establish and provide guidance and assistance to a subcommittee (“The Professional Provider-Health Plan Work Group”) of the advisory council created pursuant to subsection (c) above, composed of health care providers and Rhode Island licensed Health Plans. This subcommittee shall develop a plan to implement the following activities:

(i) By January 1, 2006, a method whereby health plans shall disclose to contracted providers the fee schedules used to provide payment to those providers for services rendered to covered patients;”

Overview

The Professional Provider Health Plan Workgroup is comprised of professional provider and hospital representatives, billing agents, physician group leaders and the three major Rhode Island Health Plans: United, Blue Cross and Neighborhood Health Plan. The members are: Christopher Dooley- W&I PHO; Dan Egan-HARI; Lorraine Roberts- Lighthouse MD; Paul Carey-RI Urological Specialties; Joel Kaufman M.D.- Lifespan/Physicians PSO; Jean Amaral- Care New England. Health Plan representatives are Stephan Katinas- BCBS; Jenny Hayhurst- United; George Brier- Neighborhood Health Plan.

This Professional Provider Health Plan Workgroup understands that each member has a different perspective and resources but has agreed to work together toward creating standardization by finding common ground. The Workgroup has agreed to the following process in order to meet the statutory expectation that fee schedule information be disclosed to contracted professional providers in a timely way.

Short Term Process

All plans have acknowledged that their contracted professional providers should have access to the reimbursement amount for the codes for the services they provide. To that end, the health plans agree to make fee schedule information available in the following ways:

1. Fee samples of the most commonly billed codes for the applicable specialty will be attached to the provider contract and/or are distributed annually via U.S. mail or by Health Plan website. Off-cycle changes to fee schedules will be communicated according to the provider contracts.

2. All health plans agree to have a provider service line that can respond to requests for a small number of codes (less than 10) directly to the requestor over the telephone.
3. If additional codes are required, providers may request in writing or via email from the health plans a list of codes.
 - This request will include a form required by the health plan for confidentiality/processing purposes. Such form will be made available in electronic format and/or on line for provider convenience.
 - Provider needs to complete the form as applicable and attach a list of codes.
 - Health Plans will subsequently provide fee schedule detail for all product lines including any site of service differentials within 30 days.
 - If the request asks for information in a spreadsheet format, the requested information will be returned in a common spreadsheet application.
 - Fee schedule information is shared with the contracted providers' office and not directly to their billing agents.
4. Full Fee schedules (all CPT and HCPC codes) are available from the local health plan with their management approval within 45 days of the date of the request.

Long Term Capabilities

In an effort to eliminate administrative burden for all parties, to increase the timely access to this information and to improve efficiency in the system as a whole, the goal is for all health plans to have an on line fee schedule look up capability.

Currently only United has on line fee schedule inquiry capability, where codes can be requested and received on line for up to ten codes at a time. This application is currently available for commercial products. United understands this Office's expectation to add the fee schedules for the Medicare and Medicaid products by December 2006.

Blue Cross and Neighborhood Health Plan have agreed to create for provider access an on line look up for all codes for the current standard fee schedules for all locally marketed products by December 2006.

Communication

All parties agree that lack of communication about how this information is accessed may be creating confusion and that a key component of this initiative's success is provider education. By the end of the first quarter of 2006, all three health plans have agreed to provide via newsletters or other communication how fee schedule information can be accessed from their organization. Additionally, the plans will co- author a one page "press release" with their logos to be distributed by the local physician organizations

which will include telephone numbers and other pertinent information which the providers offices may use as a reference guide.

Expectations

This agreement sets out mutual expectations for health plans and providers. The Office of the Health Insurance Commissioner will periodically audit to ensure expectations are being met by all parties and will provide feedback as necessary. OHIC will also ensure that on line fee schedule look up capabilities exist for all products for all plans by December 2006.



Blue Cross & Blue Shield of Rhode Island is an independent licensee of the Blue Cross and Blue Shield Association.



Improved Access to Fee Schedule Detail for Contracted Providers

The Office of the Health Insurance Commissioner, in cooperation with insurers and providers, has developed a process for the disclosure of fee schedule information to contracted medical providers.

Blue Cross, United and Neighborhood Health Plan acknowledge that providers are entitled to know reimbursements for codes for medical services and will now offer providers their contracted fee schedule information as follows:

- Online standard fee schedule lookup for all products by 12/06
- Up to 10 codes – handled via telephone request
- Over 10 codes – handled via paper or e-mail requests (form required)

Up to 10 Codes - Telephone Contact Information

BLUE CROSS BLUE SHIELD

Provider Services Center

401.274.4848 or 800.230.9050
8am to 4:30pm M-F

UNITEDHEALTHCARE

Provider Central Service Unit (PCSU)

800.521.2603 Option 2
8am to 6pm (CST) M-F

NEIGHBORHOOD HEALTH PLAN

Provider Line

401.459.6030
8:30am to 5pm M-F

Over 10 Codes – Paper & Email Contact Information

All plans require a form be completed for processing/confidentiality purposes. Forms can be obtained either on the health plan's provider web site or by emailing the addresses below. The form and list of codes may be submitted via fax or email as follows:

BLUE CROSS BLUE SHIELD

Fax: 401.459.1774
contract.support@bcbsri.org

UNITEDHEALTHCARE

Fax: 401.732.7376
Call your local Provider
Representative for
email address

NEIGHBORHOOD HEALTH PLAN

Fax: 401.459.6066
providerinfo@nhpri.org

Currently Available Online Fee Information

Below is a list of the health plan's provider web sites and the provider fee schedule information currently available.

All Plans are expected to have interactive fee schedule lookup capabilities for their standard fee schedules for all products by December 2006.

Currently, United has online lookup capabilities for specific fee schedule information for commercial products. Please monitor these web sites for updates on fee schedule lookup capabilities.

BLUE CROSS BLUE SHIELD (BCBSRI.com)

The BCBSRI web site displays a list of the most commonly billed codes and standard fees for the Rite Care product.

Similar listings for standard fee schedules for commercial and Medicare products will be available shortly.

UNITEDHEALTHCARE (unitedhealthcareonline.com)

United's provider portal allows providers to look up their specific, contracted reimbursement for up to 10 codes at a time for commercial products.

NEIGHBORHOOD HEALTH PLAN (NHPRI.org)

As of January 2006, NHP web site does not provide any provider fee information.

Medicaid Fee Schedule Information

Fee For Service Medicaid Fee Schedule information can be obtained by calling the Medical Assistance Help Desk at 401.784.8100.

